

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG RANGE PLANNING

Call to Order: By **CHAIRMAN DAVE KASTEN**, on January 21, 2003 at 8:30 A.M., in Room 350 Capitol.

ROLL CALL

Members Present:

Rep. Dave Kasten, Chairman (R)
Sen. Tom Zook, Vice Chairman (R)
Rep. Christine Kaufmann (D)
Sen. Joseph (Joe) Tropila (D)
Rep. John Witt (R)

Members Excused: Sen. Bob Keenan (R)
Sen. John Tester (D)

Members Absent: None.

Staff Present: Catherine Duncan, Legislative Branch
Jane Hamman, OBPP
Pamela Schindler, Committee Secretary

Please Note: Audio-only Committees: These are summary minutes. Testimony and discussion are paraphrased and condensed. The time stamp for these minutes appears at the end of the content it refers to.

Committee Business Summary:

Hearing & Date Posted: HB6 & HB 8 (RRG&L) 1/6/2003
Executive Action: None

HEARING ON RENEWABLE AND RESOURCE GRANT AND LOAN PROGRAM

Opening Statement:

Bob Fischer, Montana Department of Natural Resources (DNRC), referred to Page 20 of the Governor's Budget Book. This is for Project No. 2; applicant name is Dawson County; project name is Yellowstone River Floodplain Management Project. DNRC recommends the full amount requested of \$100,000 to be granted.

EXHIBIT(jlh12a01)

{Tape: 1; Side: A; Approx. Time Counter: 0 - 3.2}

Proponents' Testimony:

Rae Olsen, City of Glendive, stated to the Committee that she is here in support of this funding on behalf of the City of Glendive.

EXHIBIT(jlh12a02)

Daryl Stutterheim, Park County Conservation District, informed the Committee that the Yellowstone River Conservation District is a compact formed of the 13 conservation districts that flow along the full length of the Yellowstone River. He stated that his organization gives unconditional support of this funding.

Lawrence Siroky, Montana Department of Natural Resources Conservation (DNRC), stated to the Committee that one of his responsibilities is the floodplain program. He further stated that the Glendive area has a number of ice jams and part of the study would identify where the 100-year flood plain is located. The cost share for this project of 75/25%.

Sarah Carlson, Montana Association of Conservation Districts, made the statement that her organization is in support of this funding.

{Tape: 1; Side: A; Approx. Time Counter: 3.2 - 6.3}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

SEN. ZOOK asked if this is just a feasibility study; with **Mr. Siroky** responding that the 100-year floodplain study is needed. The funding will pay for mapping, engineers and aerial photography to be used to study the floodplains.

{Tape: 1; Side: A; Approx. Time Counter: 6.3 -7.3}

Closing:

CHAIRMAN KASTEN closed the hearing on the Yellowstone River Floodplain Management Project.

{Tape: 1; Side: A; Approx. Time Counter: 7.3 - 8.3}

Opening Statement:

Bob Fischer, Montana Department of Natural Resources Conservation (DNRC), referred to Page 41 of the Governor's Budget Book. This is for Project No. 10; applicant name is Park County; project name is Northern Park County Water Resources Protection and Management Plan. DNRC recommends the full amount requested of \$100,000 be granted.

{Tape: 1; Side: A; Approx. Time Counter: 8.3 - 8.8}

Proponents' Testimony:

SEN. JOHN ESP, SD 13, Big Timber, Montana, stated that he is in full support of this funding.

Daryl Stutterheim, Park County Conservation District, stated to the Committee that this grant will be needed for two reasons. They are that the coal bed methane issue needs to be addressed and the groundwater in the sub-division in Park County needs to be studied.

EXHIBIT (j1h12a03)

Ellen Woodbury, Planning Director for Park County, informed the Committee that this grant would provide information for sub-divisions and the groundwater surface quality issue.

Sarah Carlson, Montana Association of conservation Districts, stated that her organization is in support this project.

REP. BRUCE MALCOLM, HD 25, Emigrant, Montana, spoke to the Committee in favor of this funding.

{Tape: 1; Side: A; Approx. Time Counter: 8.8 - 13.3}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

REP. KASTEN asked of Mr. Olson and Ms. Woodbury; the depth of the wells, if there have been samples taken and tested, and how many residents do these wells serve. Their response was that the wells are between 30 feet and 200 feet deep, that these wells have not been sampled and tested, and these wells serve approximately 4,000 residents.

{Tape: 1; Side: A; Approx. Time Counter: 13.3 - 14}

Closing:

CHAIRMAN KASTEN closed the hearing on the Northern Park County Water Resources Protection and Management Plan.

{Tape: 1; Side: A; Approx. Time Counter: 14 - 15}

Opening Statement:

Bob Fischer, Montana Department of Natural Resources Conservation (DNRC), referred to Page 86 of the Governor's Budget Book. This is Project No. 27; applicant name is the Town of Sheridan; project name is Water Systems Improvement. DNRC recommends the full amount requested of \$100,000 be granted.

{Tape: 1; Side: A; Approx. Time Counter: 15 - 15.5}

Proponents' Testimony:

Christopher Mumme, Mayor, Town of Sheridan, informed the Committee that Sheridan is small town of approximately 659 residents. The current water system consists of three reservoirs and one transmission line that is wooden. There are eight or more serious leaks in this transmission line.

EXHIBIT(jlh12a04)

EXHIBIT(jlh12a05)

EXHIBIT(jlh12a06)

EXHIBIT(jlh12a07)

REP. RICE, HD 33, Harrison, Montana, rose in support of this funding. She stated that there is a desperate need for this funding.

{Tape: 1; Side: A; Approx. Time Counter: 15.5 -18.1}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

Ms. Hamman inquired of **Mr. Mumme** what the Town of Sheridan will do with the old wooden line if it is to be replaced; could there be an auction to raise additional money? **Mr. Mumme** replied by saying, "That could be one good way of getting rid of it."

{Tape: 1; Side: A; Approx. Time Counter: 18.1 -19.4}

Closing:

CHAIRMAN KASTEN closed the hearing on Water System Improvements for the Town of Sheridan.

{Tape: 1; Side: A; Approx. Time Counter: 19.4 - 19.8}

Opening Statement:

Pam Smith, Montana Department of Natural Resources Conservation, (DNRC), referred to Page 120 of the Governor's Budget Book. This is for Project No. 40; applicant name is Fort Shaw Irrigation District; project name is Water Quality and Quantity Improvement Project Phase III. DNRC recommends the full amount of \$89,122 be granted.

{Tape: 1; Side: A; Approx. Time Counter: 19.8 - 20.6}

Proponents' Testimony:

Elliot Merja, Fort Shaw Irrigation District, stated to the Committee that this irrigation system was built in 1908 and very little has been done to it since then. If this funding is approved for the District, they will be able to do ditch lining, valve replacements, their K-Ditch head-works repaired, and will be able to become more efficient in the future.

EXHIBIT(jlh12a08)

EXHIBIT(jlh12a09)

Todd Klick, Private farmer and rancher, informed the Committee that his property is along the Sun River. The Sun River is a pristine trout river and with this funding the irrigation will become more efficient and therefore help to sustain this river.

REP. RICK RIPLEY, HD 50, Wolf Creek, Montana, testified in support of this funding.

Allan Rollo, Sun River Watershed, stated to the Committee that he supports this funding for the maintaining of the water quality.

Mike Murphy, Montana Water Resources, supports this funding for the reason that it will improve the efficiency of the irrigation district and users.

REP. JOE TROPILA, SD 24, Great Falls, Montana, rose in support of this funding.

SEN. JERRY BLACK, SD 44, Shelby, Montana, stated to the Committee that irrigation is very important, therefore, he is in support of this bill.

{Tape: 1; Side: A; Approx. Time Counter: 20.6 - 29.7}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

REP. KASTEN asked several questions of Mr. Merja regarding the number of grants already awarded, and if this grant will increase the efficiency of saving water.

{Tape: 1; Side: A; Approx. Time Counter: 29.7 - 30}

REP. WITT then asked Mr. Merja several questions regarding the FWP and their funding, the funding from the Bureau of Reclamation, the recent elk harvest and the water's impact relative to that. There was also discussion between the Committee and Mr. Merja regarding the "Bean Lake" decision and the Supreme Court. **Mr. Tubbs**, DNRC, informed the Committee that DNRC has the papers involved in that decision and would provide that information to the Committee.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 6.5}

Closing:

CHAIRMAN KASTEN closed the hearing on the Water Quality and Quantity Improvement Project Phase III for Fort Shaw hearing.

{Tape: 1; Side: B; Approx. Time Counter: 6.5 - 6.8}

Opening Statement:

Pam Smith, Montana Department of Natural Resources Conservation (DNRC), referred to Page 127 of the Governor's Budget Book. This is for Project No. 43; applicant name is Town of Melstone; project name is the Water Conservation System. DNRC recommends the full amount requested of \$99,929 be granted.

{Tape: 1; Side: B; Approx. Time Counter: 6.8 - 7.4}

Proponents' Testimony:

Tim Dejaegher, Mayor, Town of Melstone, informed the Committee that the Musselshell River is dry and the town is looking for another source of water. This would be the first phase of the project.

Dave Joubert, City of Melstone, stated that his biggest concern is the lack of water for Melstone. Last year the City of Melstone was very close to closing the schools due to this problem.

Pat Murtagh, Montana Engineering, related to the Committee the problems that Melstone has faced. The pond that they were using for their water consumption was actually green and obviously not safe for use. The turbidity readings are also not going to be met.

EXHIBIT(j1h12a10)

{Tape: 1; Side: B; Approx. Time Counter: 7.4 - 14.2}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

REP. KAUFMANN asked Mr. Dejaegher if the residents of Melstone receive any education about water conservation and if they had to resort to water rationing and not watering their lawns. **Mr. Dejaegher** replied that the residents were on the "Honor System" of lawn watering and that they had cut their consumption by one-half. **REP. WITT** then asked Mr. Murtagh what the term "Water Buffalos" meant with **Mr. Murtagh** responding that it meant large water tanks.

{Tape: 1; Side: B; Approx. Time Counter: 14.2 - 16.5}

Closing:

CHAIRMAN KASTEN closed the hearing on the Town of Melstone's Water Conservation System hearing.

{Tape: 1; Side: B; Approx. Time Counter: 16.5 - 16.8}

Opening Statement:

Pam Smith, Montana Department of Natural Resources Conservation, (DNRC), referred to Page 138 of the Governor's Budget Book. This is for Project No. 48; applicant name is the City of Cut Bank; project name is Water System Improvements. DNRC recommends the full amount requested of \$100,000 be granted.

{Tape: 1; Side: B; Approx. Time Counter: 16.8 - 17.4}

Proponents' Testimony:

James Suta, Public Works Director, City of Cut Bank, Montana, testified to the Committee that due to the high rainfall, the city has experienced turbidity as high as 4,500, while most Montana cities never see that turbidity that high. The water system serves about 4,400 residents in the city and outlying areas.

EXHIBIT (j1h12a11)

{Tape: 1; Side: B; Approx. Time Counter: 17.4 - 21.6}

Tom Shock, City Conservation, City of Cut Bank, Montana, testified to the Committee that the settling ponds currently provide up to three months of storage if the reserves are large enough to do so. The water system in use has gone approximately 25 years of deferred maintenance.

SEN. ROUSH, SD 43, Cut Bank, Montana, supports this funding and stated that the only source of water is Cut Bank Creek for the city. The city is also looking at a hook-up for the Tibor Water District. The Rocky Boy Reservation/Blackfoot Tribe has turned this request down three times.

The Senator further stated that if Cut Bank had a good source of water, the city would then be able to attract more businesses for more economic growth.

REP. BALLANTYNE, HD 86, Valier, Montana, informed the Committee that during the summer the water in the river is so low that a person could walk over it and not get wet.

{Tape: 1; Side: B; Approx. Time Counter: 21.6 - 30}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

REP. WITT, SEN. TROPILA and Ms. Hamman asked Mr. Shock about the problems with the Rocky Boy Reservation, Block Grants received, the Treasure State Endowment Project and Phase's I, II and III.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 9.1}

Closing:

CHAIRMAN KASTEN closed the hearing on the City of Cut Bank's Water System Improvements hearing.

{Tape: 2; Side: A; Approx. Time Counter: 9.1 - 9.6}

Opening Statement:

Bob Fischer, Montana Department of Natural Resources Conservation (DNRC), referred to Page 146 of the Governor's Budget Book. This is for Project No. 51; applicant name is Huntley Project Irrigation District; project name is Anita Dam Safety Repairs and Sediment Removal. DNRC recommends the full amount requested of \$100,000 be granted.

{Tape: 2; Side: A; Approx. Time Counter: 9.6 - 9.8}

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

{Tape: 2; Side: A; Approx. Time Counter: 9.8 - 10.8}

Closing:

CHAIRMAN KASTEN closed the hearing on Anita Dam Safety Repairs and Sediment Removal for Huntley Project Irrigation District.

{Tape: 2; Side: A; Approx. Time Counter: 10.8 - 10.9}

Opening Statement:

Bob Fischer, Montana Department of Natural Resources Conservation, (DNRC) referred to Page 184 of the Governor's Budget Book. There is no Project number for this. The applicant name is Hysham Irrigation District; project name is Water Conservation and Infrastructure Improvement. The application did not include complete technical data, nor did it provide a recommends no funding until the complete environmental and technical information is available. DNRC recommends no funding for this project.

{Tape: 2; Side: A; Approx. Time Counter: 10.9 - 12}

Proponents' Testimony:

Mack Cole, County Commissioner, Treasure County, informed the Committee that the money is most needed for the riverbank stabilization project.

EXHIBIT(jlh12a12)

EXHIBIT(jlh12a13)

EXHIBIT(jlh12a14)

EXHIBIT(jlh12a15)

EXHIBIT(jlh12a16)

Don Bartrall, Hysham Irrigation District, stated to the Committee that there were problems in the presentation previously. The county will lose about 45% of the irrigated acres in that area if the funding is not granted. The growers in that area will lose approximately \$3.1 million per year if the problem is not resolved. The Conservation District charges \$20 per acre for a total of \$122,000 in revenue. **Mr. Bartall** further stated that the river is the highest in June which is also the peak time for irrigating. The concern is that the "head gate" will be lost during that time.

Mike Murphy, Montana Water Resources Association, informed the Committee that his organization is in support of this funding.

{Tape: 2; Side: A; Approx. Time Counter: 12 - 21}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

There was extensive questioning by **SENS. ZOOK** and **TROPILA, REPS. WITT** and **KASTEN** to the Proponents about such issues as the cost per acre to irrigate, the permits from FWP and their commitment to this project, which Phase they are in, the various groups involved and the taxes charged to each of those groups.

{Tape: 2; Side: A; Approx. Time Counter: 21 - 25}

{Tape: 2; Side: A; Approx. Time Counter: 25 - 30}

Closing:

CHAIRMAN KASTEN closed the hearing on the Hysham Irrigation District Water Conservation and Infrastructure Improvement hearing.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 1.1}

Opening Statement:

Bob Fischer, Montana Department of Natural Resources Conservation, (DNRC), referred to Page 71 of the Governor's Budget Book. This is for Project No. 21; applicant name is Yellowstone County; project name is Yellowstone River Floodplain Management Project. DNRC recommends the full amount requested of \$100,000 be granted.

{Tape: 2; Side: B; Approx. Time Counter: 1.1 - 1.8}

Proponents' Testimony:

Jim Kraft, Floodplain Commissioner of Yellowstone County, testified to the Committee that Yellowstone County wants to maintain the resource of the Yellowstone River. The FEMA maps that they presently have are not accurate and the 1996 and 1997 floods show discrepancies in them. If the funding is granted the project could correct these problems.

Clint McFarland, Yellowstone Conservation District, rose in support of this funding.

Sarah Carlson, Montana Association of Conservation Districts, rose in support of this funding.

Daryl Stutterheim, Park County Conservation District, rose in support of this funding.

Larry Siroky, Montana Department of Natural Resources Conservation, (DNRC), informed the Committee that with this funding; the maps would be able to be re-done to avoid future flood damage.

{Tape: 2; Side: B; Approx. Time Counter: 7.6 - 11.3}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

SEN. ZOOK, REP. KASTEN and **Ms. Hammon** questioned Mr. Kraft, Mr. Tubbs and Mr. Siroky about the possibility that all the mapping for the three districts could be coordinated, thus saving the State money and also asked why the mapping so disjointed.

{Tape: 2; Side: B; Approx. Time Counter: 11.3 - 26.5}

Closing:

CHAIRMAN KASTEN closed the hearing on the Yellowstone River Floodplain Management Project hearing.

{Tape: 2; Side: B; Approx. Time Counter: 26.5 - 27.1}

Opening Statement:

Bob Fischer, Montana Department of Natural Resources

Conservation, (DNRC), referred to Page 64 of the Governor's Budget Book. This is for Project No. 18; applicants name is Montana Department of Natural Resources and Conservation; project name is Seepage Monitoring Program-DNRC Dams. DNRC recommends the full amount requested of \$97, 646 to be granted.

{Tape: 2; Side: B; Approx. Time Counter: 27.1 - 27.5}

Proponents' Testimony:

Kevin Smith, Montana Department of Natural Resources Conservation stated that this State agency owns 21 projects which are classified as "high hazard dams."

EXHIBIT (j1h12a17)

EXHIBIT (j1h12a18)

EXHIBIT (j1h12a19)

EXHIBIT (j1h12a20)

EXHIBIT (j1h12a21)

EXHIBIT (j1h12a22)

EXHIBIT (j1h12a23)

EXHIBIT (j1h12a24)

EXHIBIT (j1h12a25)

EXHIBIT (j1h12a26)

EXHIBIT (j1h12a27)

EXHIBIT (j1h12a28)

{Tape: 2; Side: B; Approx. Time Counter: 27.5 - 30}

{Tape: 3; Side: A; Approx. Time Counter: 0 - 1.5}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

REP. WITT asked Mr. Smith about the technology being studied at Montana State University regarding a "sealant" that can be used to repair dams.

{Tape: 3; Side: A; Approx. Time Counter: 1.5 - 6.1}

Closing:

CHAIRMAN KASTEN closed the hearing on the Seepage Monitoring Program for DNRC dams hearing.

{Tape: 3; Side: A; Approx. Time Counter: 6.1 - 6.4}

Opening Statement:

Bob Fischer, Montana Department of Natural Resources Conservation (DNRC), referred to Page 188 of the Governor's Budget Book. There is no Project Number for this. The applicant name is Lincoln Conservation District; the project name is Bobtail Creek Water Quality and Channel Enhancement. DNRC recommends no funding for the project.

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing:

CHAIRMAN KASTEN closed the hearing on the Bobtail Creek Water Quality and Channel Enhancement hearing.

{Tape: 3; Side: A; Approx. Time Counter: 6.4 - 7.5}

CHAIRMAN KASTEN and the other Committee members discussed the upcoming schedule of Executive Action.

{Tape: 3; Side: A; Approx. Time Counter: 7.5 - 12}

ADJOURNMENT

Adjournment: 10:43 A.M.

REP. DAVE KASTEN, Chairman

PAMELA SCHINDLER, Secretary

DK/PS

EXHIBIT (j1h12aad)